



**DEFENSE FINANCE AND ACCOUNTING SERVICE**

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DFAS-BA/CC

JUL 26 2002

MEMORANDUM FOR DEFENSE ACQUISITION REGULATIONS COUNCIL  
ATTN: MS. SANDRA HABERLIN

SUBJECT: Defense Federal Acquisition Regulation Supplement, Electronic Submission and  
Processing of Payment Requests, Proposed Rule DFARS Case 2002-D001

While the proposed rule implements Section 1008 of the National Defense Authorization Act for Fiscal Year 2001, it is important to recognize that not all Commercial Pay Services' entitlement systems will be capable of receiving and processing invoices and receiving reports electronically by the October 2002 implementation date. Additionally, our systems will not be able to accommodate the variety of supporting documentation currently required to be submitted with invoices (e.g., the 591 Report on contracts issued by the Defense Reutilization and Marketing Service, and nonstandard supporting documentation required for Public Voucher (SF 1034) billings for Cost Reimbursable and Time and Materials contracts).

Comments on specific lines of the proposed rule are attached for your consideration.

Questions may be addressed to Ms. Joyce Weeks, DFAS-BAP/CC, at 614 693-8933.

Stephen K. Worton  
Deputy Director  
Commercial Pay Services

Attachment  
As stated

Defense Federal Acquisition Regulation Supplement Proposed Rule  
DFARS Case 2002-D001  
Electronic Submission and Processing of Payment Requests

DFAS Commercial Pay Business Line Comments

Supplementary Information:

A. Background

Prompt Pay Act implications regarding invoice receipt dates and the electronic return of improper invoices are not addressed.

First paragraph, third bullet: Recommend including a definition of “unduly burdensome” and to whom it applies (contractor or payment office).

Third paragraph, first bullet: Recommend adding public voucher billings (SF 1034) for Cost Reimbursable and Time and Material contracts.

C. Paperwork Reduction Act

Recommend adding the Commercial Item Financing, FAR clauses 52.232-29 through 52.232.31, to the table.

232.7003(b): Recommend adding a description of an acceptable type of concurrence between the payment office and the contract administration office (e.g., MOU/MOA, verbal).

232.7003(b)(1): Recommend adding a description of electronic forms other than those listed. Interpretation of the current wording could lead to the acceptance of faxed, e-mailed or scanned documents. These forms may not have the necessary internal controls associated with receiving these forms.

252.232-7XXX(a)(2): Recommend clarification on the description of electronic forms. Interpretation of the current wording could lead to the submission of faxed, e-mailed or scanned documents that are not automatically uploaded into the respective entitlement system. These forms may not have the necessary internal controls associated with receiving these forms.

252.232-7XXX(b)(4): Recommend adding at the end of the statement, “and concurred with by the payment office.”

252.232-7XXX(c): Recommend adding at the end of the statement, “and the payment office.”

DFAS Commercial Pay Business Line Comments  
(Continued)

**GENERAL COMMENTS:**

This is a good step in getting more DOD business processes on Electronic Commerce, however it has proven difficult to get vendors, external certifiers, and destination acceptance activities to sign up to WAWF.